terms or conditions fails to comply with these terms or conditions, he shall be guilty of a summary offence against these regulations.

" (5) In this regulation the expression * securities' includes Bonds, Debentures, Debenture stock, and marketable securities/'

It will be seen at once that the terms of this document, on any interpretation of them, go far beyond the intentions .expressed in what may be called the official preamble and in the new Committee's terms of reference. One of the clauses seems, with all deference to its august composers, to be merely silly. This is (i) *(c)* forbidding sub-division of securities. If a *£10* share is split into ten j£i shares this operation cannot make the smallest difference to the supply of capital for essential industries or cause any drain on the Foreign Exchanges.

I am assured by those who have delved into the official intention that the reason for the objection of the old Committee to splitting schemes, on which this new prohibition is based, was that splitting made shares more marketable and popular ancf so more likely to compete with War Bonds. But a mere sale of shares, split small and so popularised, does not absorb any capital. That only happens when money is put into some new form of industry,

If A, who holds ten ^20 shares, is enabled to dispose of them to B because they are split into 200 *£i*

shares, then A instead of B has got the money and has to invest it in something. The amount of capital available for investment is not diminished by a halfpenny. This regulation is just a piece of